

RECORD OF PROCEEDINGS  
of the  
RETIREMENT BOARD (the "BOARD") of the  
PARK EMPLOYEES' ANNUITY and BENEFIT FUND (the "FUND")  
REGULAR BOARD MEETING  
THURSDAY, DECEMBER 17, 2020

The 55 East Monroe Building  
55 East Monroe Street, Suite 2720  
Chicago, Illinois 60603

President AFFOLTER called the meeting to order at 9:30 A.M.

**ROLL CALL**

Trustees present:

EDWARD L. AFFOLTER, President  
BRIAN BIGGANE, Vice President  
FRANK HODOROWICZ, Secretary  
MATTHEW DUGGAN, Trustee

PAMELA A. MUNIZZI, Trustee  
(Participated by telephone)  
STEVEN J. LUX, Trustee  
CECILIA PRADO, Trustee  
(Participated by telephone)

Also Present:

DEAN J. NIEDOSPIAL, Executive Director  
JAIME L. MCCABE, Comptroller  
MICHAEL SPYCHALSKI, Marquette Associates  
TAYLOR MUZZY, Fund Counsel (Participated by telephone)

**MINUTES OF THE LAST MEETING**

A motion was made by Trustee DUGGAN to approve the minutes of the regular Board meeting held on Thursday, November 19, 2020. President AFFOLTER seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, DUGGAN, HODOROWICZ,  
LUX, MUNIZZI, PRADO  
NAYS: None

A motion was made by Vice President BIGGANE to approve the Executive Session minutes of the regular Board meeting held on Thursday, November 19, 2020. President AFFOLTER seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, DUGGAN, HODOROWICZ,  
LUX, MUNIZZI, PRADO  
NAYS: None

**READING OF COMMUNICATIONS**

The Executive Director noted a recent FOIA request.

**REPORT OF THE COMMITTEES**

None

**REPORT OF THE EXECUTIVE DIRECTOR**

**COVID-19 Crisis and Day to Day Operations**

The Executive Director reported that the Fund has continued to provide services to its members and annuitants without interruption. The staff of the Fund has been working from the Fund office as necessary and working remotely when appropriate, sensitive to recent Covid-19 outbreaks. The Executive Director distributed a handout prepared by Fund Counsel entitled “Park Employees & Annuity Benefit Fund Guide for Employees”. The handout detailed what the Fund has implemented to keep staff safe during the “new normal” work environment based on CDC guidance.

**Annual Operating Budget**

The Executive Director presented the Fund’s Projected Operating Budget, complete with details, for the year ending December 31, 2021, a draft of which had been previously emailed to the Trustees. The details within the budget and budget assumptions were discussed with the Trustees.

A motion was made by Vice President BIGGANE to approve the budget as presented by the Executive Director for the year ending December 31, 2021. Trustee DUGGAN seconded the motion.

Motion carried by the following roll call:

- YEAS: AFFOLTER, BIGGANE, DUGGAN, HODOROWICZ,  
LUX, MUNIZZI, PRADO
- NAYS: None

The Executive Director also distributed a “Major Accomplishments” listing that detailed all major accomplishments since 2010.

**2021 Board Meeting Schedule**

The Executive Director distributed a proposed schedule of Board meeting dates for 2021 for approval by the Trustees and posting to the Fund’s website. He noted that the agendas of the meetings will include a format for focusing on investments, continuing education, professional services presentations, etc. and on quarterly basis, meetings will focus on benefits and financial reporting.

A motion was made by Trustee LUX to approve the 2021 Board meeting schedule as presented, to authorize Fund staff to process benefits monthly, ratified by the Board on quarterly basis and to authorize quarterly reporting of financial information. Vice President BIGGANE seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, DUGGAN, HODOROWICZ,  
LUX, MUNIZZI, PRADO

NAYS: None

### **Fiduciaries Diversity Policy/Businesses Diversity Policy/Minority Broker-Dealer Policy**

The Executive Director distributed copies of the Fund's Fiduciaries Diversity, Businesses Diversity and Minority Broker-Dealer Policies as reviewed by Fund Counsel. The Trustees reviewed and discussed their support for the policies.

A motion was made by Trustee LUX to approve the Fund's Fiduciaries Diversity, Businesses Diversity and Minority Broker-Dealer Policies as presented. President AFFOLTER seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, DUGGAN, HODOROWICZ,  
LUX, MUNIZZI, PRADO

NAYS: None

### **Resignation of the Executive Director**

President AFFOLTER announced that today will be Executive Director Dean J. Niedospial's last day with the Fund. The Board thanked Dean for his leadership and service and wished him good health and good luck in his future endeavors. Comptroller Jaime L. McCabe will be serving as Interim Executive Director while the Fund conducts a search for a new Executive Director.

A motion was made by President AFFOLTER to accept Dean J. Niedospial's resignation from the Fund and to appoint Jaime L. McCabe as the Interim Executive Director. Trustee DUGGAN seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, DUGGAN, HODOROWICZ,  
LUX, MUNIZZI, PRADO

NAYS: None

### **Other**

Upcoming events – The Executive Director noted that the Fund's current asset allocation will be reviewed with the Fund's investment consultant at an upcoming meeting in the first quarter.

Senate Hearing – The Executive Director reported that he and Brian Wrubel from the Fund's Investment Consultant, Marquette Associates, attended a hearing and presented a report on the Fund's use of minority and female-owned investment managers and broker/dealers to the Illinois State Senate Special Committee on State and Pension Fund Investments on Thursday, December 10. The Executive Director and the Trustees discussed the importance of continuing to support minority and female-owned investment managers, brokers and businesses.

Conferences – The Executive Director distributed an updated 2021 Conference Schedule to the Trustees and highlighted upcoming local conferences and events.

A motion was made by Trustee LUX to go into Executive Session for the purpose of discussing the status of current litigation. Motion was seconded by President AFFOLTER.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, HODOROWICZ, DUGGAN,  
LUX, MUNIZZI, PRADO

NAYS: None

A motion was made by Trustee PRADO to return to Open Session. Motion was seconded by Trustee MUNIZZI.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, HODOROWICZ, DUGGAN,  
LUX, MUNIZZI, PRADO

NAYS: None

A motion was made by Trustee DUGGAN to accept the Report of the Executive Director. President AFFOLTER seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, DUGGAN, HODOROWICZ,  
LUX, MUNIZZI, PRADO

NAYS: None

#### **REPORT OF THE ATTORNEY**

None

#### **REPORT OF THE ACTUARY**

None

#### **REPORT OF THE INVESTMENT CONSULTANT**

Mr. Michael Spychalski of Marquette Associates, the Fund’s Investment Consultant, distributed the Preliminary Monthly Update report as of November 30, 2020, featuring investment performance, market environment analysis, asset allocation and individual investment manager performance. The report was reviewed in detail and the Investment Consultant responded to numerous questions raised by the Trustees. The Investment Consultant also presented a draft of an updated “Investment Policy Guidelines”.

A motion was made by Trustee LUX to amend the Fund’s Investment Policy to contain language recommended by Marquette Associates, subject to the approval of Fund Counsel. President AFFOLTER seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, DUGGAN, HODOROWICZ,  
LUX, MUNIZZI, PRADO

NAYS: None

Mr. Spsychalski also discussed with the Trustees an update regarding the status of Denali Advisors, one of the Fund's international equity investment managers and discussed the status of Parametric, the Fund's defensive equity manager, who's parent company, Eaton Vance, was acquired by Morgan Stanley. Mr. Spsychalski further discussed with the Trustees the need to redeem \$3 million from Parametric to be used for upcoming benefit payments.

A motion was made by Trustee LUX to sign a consent letter consenting to Morgan Stanley Investment Management's acquisition of Parametric's parent company, Eaton Vance, subject to the approval of Fund Counsel. Secretary HODOROWICZ seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, DUGGAN, HODOROWICZ,  
LUX, MUNIZZI, PRADO

NAYS: None

A motion was made by Secretary HODOROWICZ to redeem \$3 million from Parametric to be used for future benefit payments. Trustee DUGGAN seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, DUGGAN, HODOROWICZ,  
LUX, MUNIZZI, PRADO

NAYS: None

A motion was made by Secretary HODOROWICZ to accept the Report of the Investment Consultant. Trustee DUGGAN seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, DUGGAN, HODOROWICZ,  
LUX, MUNIZZI, PRADO

NAYS: None

### **REPORT OF THE LOBBYIST**

None

### **OLD BUSINESS**

None

**NEW BUSINESS**

None

**ADJOURNMENT**

There being no further business, Secretary HODOROWICZ moved to adjourn the meeting. Vice President BIGGANE seconded the motion. Motion prevailed unanimously and the meeting was adjourned.

The next regular meeting of the Retirement Board will be on **Thursday, January 21, 2021** at 9:30 A.M. in the Judith A. Flaherty Conference Room on the 27<sup>th</sup> floor of the 55 East Monroe Street Building, Suite 2720, Chicago, Illinois, 60603.

Respectfully submitted,

A handwritten signature in cursive script that reads "Frank Hodorowicz".

FRANK HODOROWICZ  
Secretary